

**The Honorable Douglas H. Palmer**  
**Mayor of Trenton, New Jersey**  
**Remarks at Forum Sponsored by the House and Senate Democratic Leadership**  
**Washington, D.C.**  
**October 17, 2003**

I want to thank the House and Senate Democratic Leadership for holding this forum about the fiscal challenges facing state and local governments.

Before I go any further I want to acknowledge:

- Governor Ruth Ann Minner of Delaware – who has movingly explained the impact of the recession and the federal budget cuts on state governments;
- Congressman John Spratt of South Carolina, the ranking member of the House Budget Committee and assistant to the Minority Leader of the House;
- Senator Thomas Carper of Delaware – that state is well represented here today;
- And all the members of the House [*and Senate*] and their staff members who are here today.

The theme of this conference is “How Are State and Local Governments Coping? Are Federal Policies Making It Worse?”

Speaking from the perspective of a mayor – whose city happens to be the capital of our state [*and which once was in contention to be the capital of our country*] – I’m afraid the answer is “Yes.”

In spite of the best efforts of all of you who are here this morning, federal policies are making it worse for our cities and for the hard-working but hard-pressed people who earn their livings, raise their children, and pay their taxes in our communities.

It doesn’t have to be that way.

When our nation’s mayors met here in January, we proposed a comprehensive blueprint for a new urban Marshall plan to invest in our cities, our people, and our economic future.

Unfortunately, the Administration and the members of the majority in the Congress have not acted upon this vision to make our cities into engines of economic recovery, not only for our metropolitan areas but also for our entire nation.

The national economic recession and the last two federal budgets have already taken a terrible toll on our state and local governments. Let me tell you: There is one way

that trickle-down economics does work. The impact of these cuts is trickling down from the federal government to or state governments to our nation's cities where mayors are being forced to choose between the solvency of our budgets and the quality of life in our communities.

We are being compelled to consider cutting back essential services that make our cities attractive places to do business and create jobs. To lay off the employees who provide these vital services – police officers, firefighters, teachers, and sanitation workers, to name only a few. Or to raise taxes on businesses, homeowners and working families.

No governor, no mayor, no county executive wants to take these actions. We know that they will set back our local and regional economies and put off our national economic recovery. We take these actions only because we do not have the option of operating at a deficit and must balance our budgets.

The Administration's proposed budget for Fiscal 2004 would make matters even worse for urban America. The 13 annual appropriations bills that the House has passed so far would cut domestic funding by \$10.6 billion below what we need to continue public services at the current level.

Let me tick off what some of these cuts will mean for our cities and our people:

At a time when we should be waging war on crime, our cities would have a harder time hiring the frontline troops. The House appropriations bill includes a \$295 billion cut in the Community Oriented Policing Services Program, which helps local governments hire new police officers. The bill actually eliminates these COPS programs: the hiring component; the safe schools program; and the Crime information Technology Act program.

On top of that, the appropriations bill cuts state and local law enforcement assistance by \$390 million – 19% of last year's level. It eliminates funding for terrorism prevention and response training and for programs to prevent juvenile crime and violence against women.

At a time when parents are having a hard time balancing work and family, our cities would be forced to make their balancing-act even harder. The House appropriations bill cuts funding for after-school programs by \$700 million from the levels authorized by the No Child Left Behind education law.

All in all, funding for that law is \$8 billion short. All across American, millions of children will be left behind.

At a time when 41 million Americans don't have a dime's worth of health insurance, our cities would have an even harder time caring for those who need medical care.

The House appropriations bill cuts \$7 million from maternal and child health, freezes funding for healthy start for at-risk mothers and their babies, and freezes funding for preventive health and immunization grants.

At a time when there is a housing crisis in our communities, the appropriations bill cuts 91.2% of the funding for the Hope VI program that helps repair public housing.

At a time when low-income people have to choose between paying their utility bills and putting food on the table, the appropriations bill cuts \$200 million from Low-income Home Energy Assistance. Natural gas prices are projected to rise by 50% this winter. But federal aid will be frozen for the programs that help needy families and senior citizens to keep warm.

At a time when the need for community services of all kinds is increasing, the appropriations bill cuts the Community Services Block Grant by almost 25%. Our cities will find it more difficult to help low-income families with housing assistance, nutrition, emergency services, education, and employment.

And, at a time when we want to encourage economic activity, we'll have to do it on the cheap. The appropriations bill cuts community development banks by 32% and empowerment zones by 50%.

When I think what these cuts would mean for my own city, I worry about communities throughout this country.

In Trenton, we have exceeded the federally mandate for inoculating children against dangerous diseases. But these cuts could slow us down.

We have used community development funds to tutor young people, conduct after-school programs, and create community centers for the young and the old. But these cuts could shut down some of these programs.

We have repaired public housing and private homes. But these cuts could call a halt to this work.

And we have been making our streets safer. But we could lose 20% of our funding for law enforcement assistance.

As America strives to recover from the recession, as our cities struggle to rebuild after years of neglect, our nation's mayors ask you not to force us to take actions that will hurt our economy, our communities, our families and our future. Let's prepare a federal budget that builds our future, instead of burdening it with debt and neglect.

Thank you for this opportunity to speak with you this morning.

